

FINANCIAL SOLUTIONS UNIT

CDPHE - Water Quality Control Division



American Recovery and Reinvestment Act State Revolving Fund

- ✓ State Revolving Fund (SRF) - A low-interest loan program to fund drinking water (DWRf) and wastewater (WPCRF) related projects that will;
 - Bring water and wastewater systems into compliance or;
 - Keep systems in compliance with the Safe Drinking Water Act and the Clean Water Act (CWA).

National Amounts

DWRf - \$2 Billion

WPCRF - \$4 Billion

Colorado Allotments

DWRf - \$32,290,880

WPCRF - \$30,093,792

Eligible Drinking Water Projects

- Treatment facilities
- Distribution/transmission lines
- Treated water storage
- Source water protection
- Water conservation (e.g. dual water lines)
- Meters
- Supply
 - *(note: dams, reservoirs, water rights, fire protection and growth related projects ineligible)*
- Green Infrastructure, Water Efficiency, Energy Efficiency and Environmentally Innovative Projects

Eligible Wastewater Projects

- Wastewater Treatment Facilities
- Interceptor/Collection Lines
- Bio-solid Facilities
- Storm Water Systems
- Re-use Facilities
- Non-Point Source
- Green Infrastructure, Water Efficiency, Energy Efficiency or Environmentally Innovative Projects

Funding Process for the Revolving Fund Programs

- Project must be identified on the current DWRF or the WPCRF Intended Use Plan Eligibility List that was approved by the Water Quality Control Commission on March 9, 2009
- Completion of an Eligibility Assessment (DWRF only)
- Preliminary Engineering Report:
 - Demonstrates the need for the project,
 - Evaluates alternatives, and
 - Provides cost estimates
- Public Hearing
- Environmental Assessment/Categorical Exclusion
- Technical, Managerial and Financial review/approval (DWRF only)
- Loan application submittal/approval
- Plans and specifications approval
- Site Application approval (WPCRF only)

Funding Process for the Revolving Fund Programs Continued

- Federal requirements:
 - Civil rights compliance
 - Certification regarding “Debarred and Suspended” contractors
 - Disadvantaged Business Enterprise (DBE)
- ARRA Requirements (in addition to SRF Requirements)
 - Davis Bacon Prevailing Wage Rates
 - Buy American Provision – Use of American iron, steel and manufactured goods
 - Monthly reporting to www.recovery.gov

SIGNIFICANT TIMELINES FOR ARRA FUNDING

Dates	Agency	Action
2/23/09	WQCD / WQCC	Public Notice Revised Project Eligibility Lists adding Category 6 (projects not already identified on 2009 approved Eligibility List were added as Category 6)
3/2/09	WQCD	Public Notice with additional Rule and IUP changes including: Establish application deadline and basic structure for milestones for 'readiness to proceed' Establish loan terms (e.g., loan forgiveness, Interest rates, etc.), incorporate green infrastructure, Buy American and Davis-Bacon Wage Rates
3/5/09	CWRPDA	Program Review Committee - discuss and make recommendations to Board for approval of loan terms for ARRA IUP Addendum
3/6/09	CWRPDA	Board Meeting – approve loan terms for ARRA IUP Addendum
3/9/09	WQCC	Rule Making hearing to approve addition of a category 6 AAH Approve Amended Project Eligibility List with category 6's Establish basic structure for milestones for 'readiness to proceed' Establish loan terms (e.g., loan forgiveness, interest rates, etc.), Incorporate green infrastructure, Buy American and Davis-Bacon Wage Rates
3/9/09	CWRPDA / ADAM	Joint Resolution available for Legislature
3/10/09	WQCD / WQCC	Memo to all on Project Eligibility Lists with summary of IUP changes and terms of stimulus funding
3/23/09	Borrowers	Deadline to submit an approvable Preliminary Engineering Report to the WQCD (WQCD Division received 141 PER's for review of eligible projects)
4/13/09	WQCC	Rulemaking & AAH Further define/re fine "readiness to proceed" if needed Add loan terms Add provision "green infrastructure"

SIGNIFICANT TIMELINES FOR ARRA FUNDING

Dates	Agency	Action
4/27/09	Borrowers	Project Application deadline(88 applications received)
4/27/09	WQCD	Prioritize Projects & determine readiness to proceed Forward Project Applications to DLG for financial Analysis Develop Fundable Lists for IUPs
5/6/09	WQCC	Public Notice Fundable Lists for IUPs and Notice any IUP/Rule Changes
5/11/09 5/29/09	WQCC	AAH Approve IUP Amendments w/List of prioritized projects, continued to Approve Wastewater and Drinking Water ARRA Project Priority Fundable Lists
5/11/09 5/12/09	WQCD / CWRPDA	Submit ARRA Application to EPA w/approved IUP including Fundable Lists
6/5/09	CWRPDA	Board Meeting approve ARRA loan applications Loans Executed (4-12 weeks from approval)
5/31/09	Borrowers	Wastewater Projects must submit approvable Process Design Report Drinking Water Projects must submit approvable engineering report
6/25/09	EPA	Awarded ARRA Grant funds
6/30/09	Borrowers	Plans and Specifications & EA Report or proof that project qualifies as CATEx
7/31/09	Borrowers	Fully respond to any WQCD technical/administrative comments
8/1/09- 9/29/09	Borrowers	Prepare bid package, publish request for bids, evaluate bids, award contract to successful bidder, Issue notice to proceed, and begin construction on 9/30/09
9/30/09	Borrowers	Twenty (29) of the thirty-one (31) ARRA projects began construction. Two (2) were granted extension based on Bond Council opinions for Tabor compliance not complete. Both met their extension deadlines and were in construction by October 20)

2009 Loan Terms - ARRA

The following loan terms were adopted for the ARRA funding.

- **Background:** Pursuant to the Act, not less than 50% of the ARRA funds will be applied to principal forgiveness. It is the intention that the balance of ARRA funds beyond approximately 50% will be made available through loans without principal forgiveness.
- **Loan Term:** Up to 20 years plus the construction period (except for those DWRP loans that would qualify as disadvantaged could go up to 30 years)
- **ARRA Interest Rate:** ARRA loans were issued at an interest rate of 0%.
- **Administrative Fees on ARRA Loans:** No administrative fees were charged.
- **Principal Forgiveness:** Principal forgiveness of up to \$2,000,000 per project was provided to the highest prioritized projects until such time as the amount of ARRA funds applied was not less than 50% of the total ARRA funds available.

Green Projects

- 20% “Green Projects” needed to satisfy ARRA requirement:
 - EPA approved \$7.8 million in wastewater green projects. Exceeding the \$6.2 needed
 - EPA approved \$10.4 million in drinking water green projects. Exceeding the \$6.8 needed

Reporting Requirements

■ State Requirements:

- Clean Water Benefits Reporting (CWSRF) – Weekly
- Project and Benefits Reporting (DWSRF) – Weekly
- Transportation and Infrastructure (Oberstar) – Monthly
- Office Management and Budget – Quarterly
- Federal Reporting .Gov – Quarterly

■ ARRA Recipients Requirements:

- Davis-Bacon Certification for Pay Period – Monthly
 - Certified Weekly Payrolls – Monthly
- Jobs Created/Retained – Monthly
- Buy-American Certifications – Monthly
- Disadvantage Business Enterprise Procurements – Monthly

Governor Certification of ARRA Projects

STATE OF COLORADO

OFFICE OF THE GOVERNOR

136 State Capitol Building
Denver, Colorado 80203
(303) 866 - 2471
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Bill Ritter, Jr.
Governor

August 25, 2009

Administrator Lisa P. Jackson
Environmental Protection Agency
Ariel Rios Building
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

Re: ARRA Section 1511 Certification

Dear Administrator Jackson:

Pursuant to Title XV, Subtitle A, section 1511 of the American Recovery and Reinvestment Act (Pub. L. 11-5) ("ARRA"), I hereby certify that the attached drinking water infrastructure investments totaling \$32,290,880 and wastewater infrastructure totaling \$30,093,792, both appropriated by the ARRA under the heading "State Revolving Fund" to the United States Environmental Protection Agency, have received the full review and vetting required by law and that I accept responsibility that such investments are an appropriate use of taxpayer dollars. I further certify that the specific information required by section 1511 concerning each such investment—a description of the investment, the estimated total cost, and the amount of ARRA funds to be used—is provided in the Colorado Drinking Water State Revolving Fund Intended Use Plan and the Water Pollution Control Revolving Fund Intended Use Plan ARRA Addendum #1 and is available to the public at: <http://www.cdphe.state.co.us/wq/FinancialSolutions/ARRA.html> and linked to recovery.gov.

I understand that my state may not receive ARRA infrastructure investment funding unless this certification is made and posted.

Sincerely,

A handwritten signature in blue ink that reads "Bill Ritter, Jr." with a stylized flourish at the end.

Bill Ritter, Jr.
Governor

Enclosures

Governor Certification of ARRA Wastewater Projects

WASTEWATER PROJECTS

Assistance Recipient	County	Service Area Population	Project Description	*Loan Amount	Principal Forgiveness
Gunnison County	Gunnison	100	Sewer line extentions to connect HOA	\$ -	\$ 474,019
Fremont County W&S Dist/North Canon	Fremont	440	Eliminate Individual Septic Dosposal Systems	\$ -	\$ 2,000,000
Red Cliff, Town of	Eagle	350	New Wastewater Treatment Facility	\$ -	\$ 2,000,000
Rye, Town of	Pueblo	202	Sewer line extentions to connect to Colorado City	\$ -	\$ 1,968,000
Manitou Springs, City of	El Paso	4,755	Sewer Collection Rehabililtation	\$ 1,900,000	\$ 2,000,000
Monument Sanitation District	El Paso	2,772	Eliminate Individual Septic Dosposal Systems	\$ 418,000	\$ 2,000,000
Widefield WSD	El Paso	17,272	Wastewater Treatment Facility Upgrades	\$ -	\$ 1,728,593
Bayfield, Town of	La Plata	329	Consolidation of two Wastewater Facilities	\$ -	\$ 193,956
Georgetown, Town of	Clear Creek	1,314	Wastewater Treatment Facility Upgrades	\$ 3,800,000	\$ 2,000,000
Pagosa Area WSD	Archuleta	8,132	Wastewater Treatment Facility Upgrades	\$ 4,801,942	\$ 1,309,282
Pueblo, City of	Pueblo	105,000	Solar Panels installed to existing treatment facility	\$ 1,500,000	\$ -
Erie, Town Of	Weld	17,000	Reuse Facility	\$ 2,000,000	\$ -
				\$ 14,419,942	\$ 15,673,850

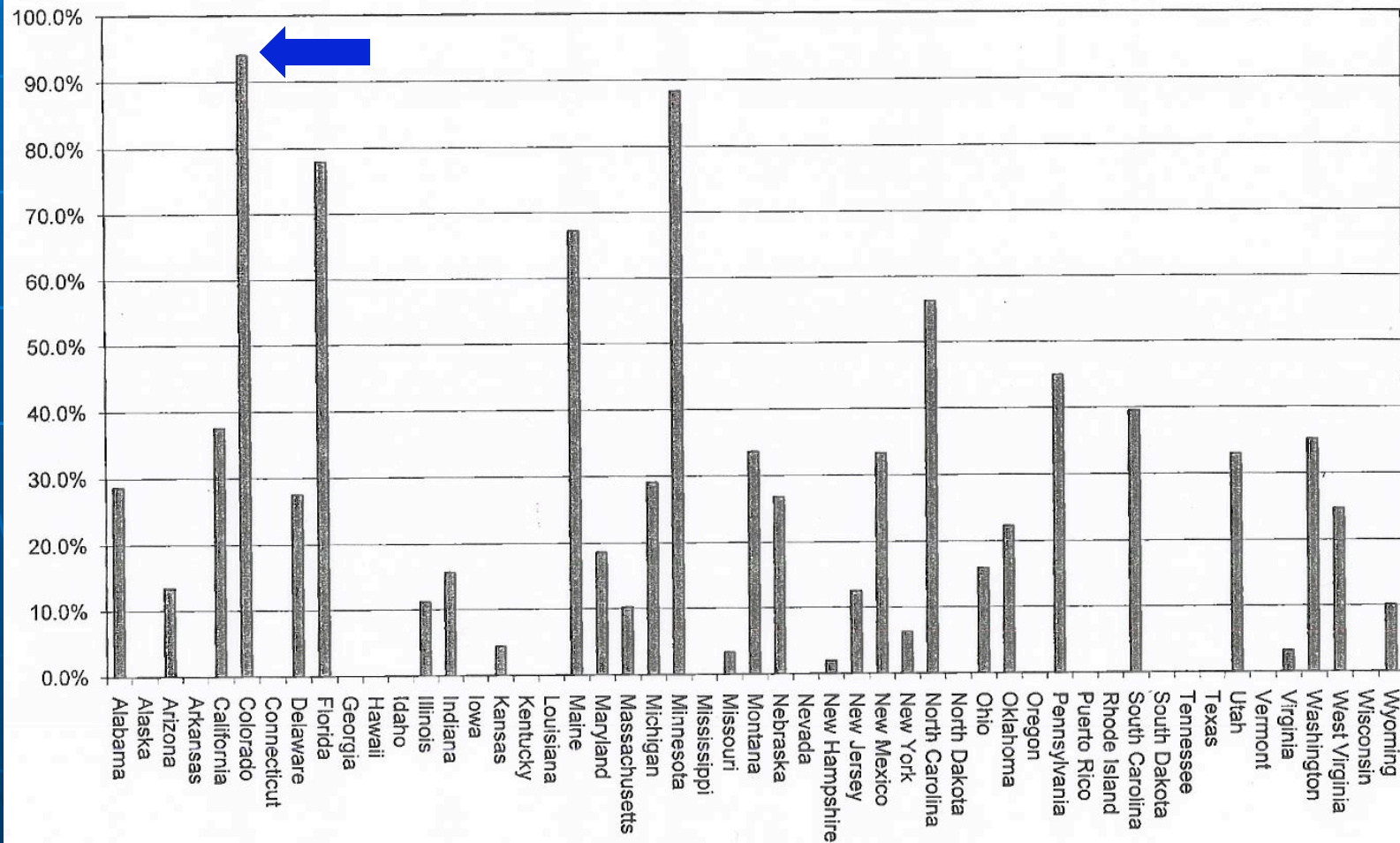
Governor Certification of ARRA Drinking Water Projects

DRINKING WATER PROJECTS

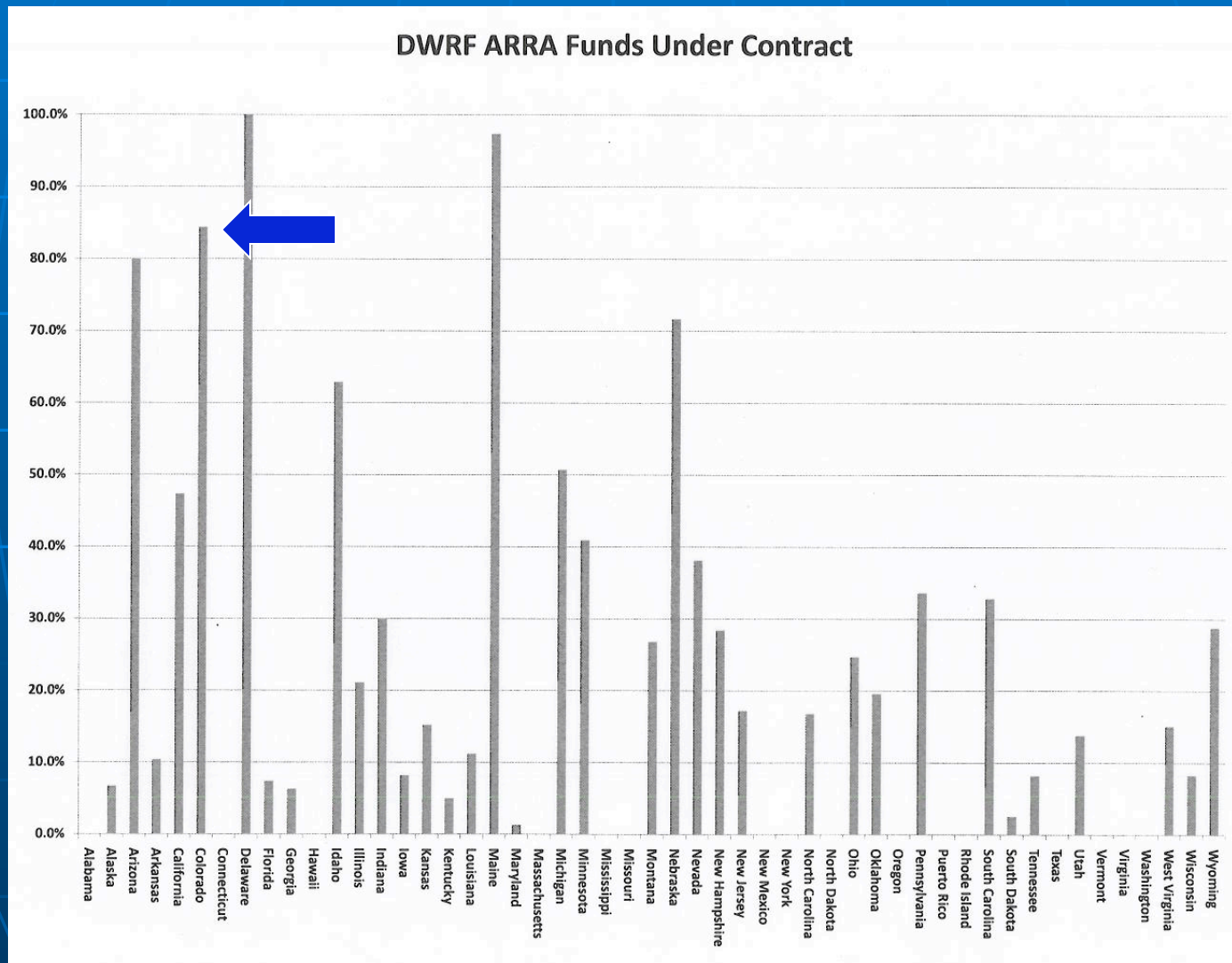
Assistance Recipient	County	Service Area Population	Project Description	*Loan Amount	Principal Forgiveness
Hi-Land Acres WSD	Adams	350	Water Distribution System Upgrades	\$ -	\$ 1,200,000
Hot Sulphur Springs, Town of	Grand	614	Water Treatment Facility Upgrades	\$ 1,300,000	\$ 2,000,000
Colorado City Metro District	Pueblo	2,041	Water Treatment Facility Upgrades	\$ -	\$ 1,780,000
Brighton, City of	Adams	33,397	Water Treatment Facility Upgrades	\$ -	\$ 1,044,000
Kit Carson, Town of	Cheyenne	214	Water Treatment Facility Upgrades	\$ -	\$ 392,000
Norwood, Town of	San Migual	1,740	Water Treatment Facility Upgrades;Water Stroage Upgrades	\$ -	\$ 540,150
Rocky Ford, City of	Otero	4,277	Consolodation of Hancock Water System	\$ -	\$ 945,337
Siebert, Town of	Kit Carson	182	Water Storage Upgrades;Water Distribution System Upgrades	\$ -	\$ 1,719,500
Cheyenne Wells, Town of	Cheyenne	985	Water Distribution System Upgrades	\$ -	\$ 1,732,517
Kremmling, Town of	Grand	1,570	Water Distribution System Upgrades	\$ -	\$ 2,000,000
Arabian Acres Metro District	Teller	620	Water Supply Facility Upgrades;Water Distribution System Upgrades	\$ -	\$ 287,440
Blanca, Town of	Costillia	400	Water Meters	\$ -	\$ 50,000
Fraser, Town of	Grand	996	Water Treatment Facility Upgrades	\$ -	\$ 751,060
Georgetown, Town of	Clear Creek	1,088	Water Treatment Facility Upgrades	\$ 1,340,000	\$ 2,000,000
Manitou Springs, City of	El Paso	4,980	Water Treatment Facility Upgrades;Water Distribution System Upgrades	\$ 7,006,004	\$ 733,996
La Junta, City of	Otero	7,857	Water Storage Upgrades	\$ 1,830,000	\$ -
Florence, City of	Fremont	9,359	Water Treatment Facility Upgrades	\$ 3,025,930	\$ -
Divide MPC	Teller	198	Water Treatment Facility Upgrades	\$ 145,930	\$ -
Ridgway, Town of	Ouray	1,036	Water Distribution System Upgrades	\$ 467,016	\$ -
				\$ 15,114,880	\$ 17,176,000

Nationally ARRA Wastewater Funds Under Contract

CWSRF ARRA Funds Under Contract



Nationally ARRA Drinking Water Funds Under Contract



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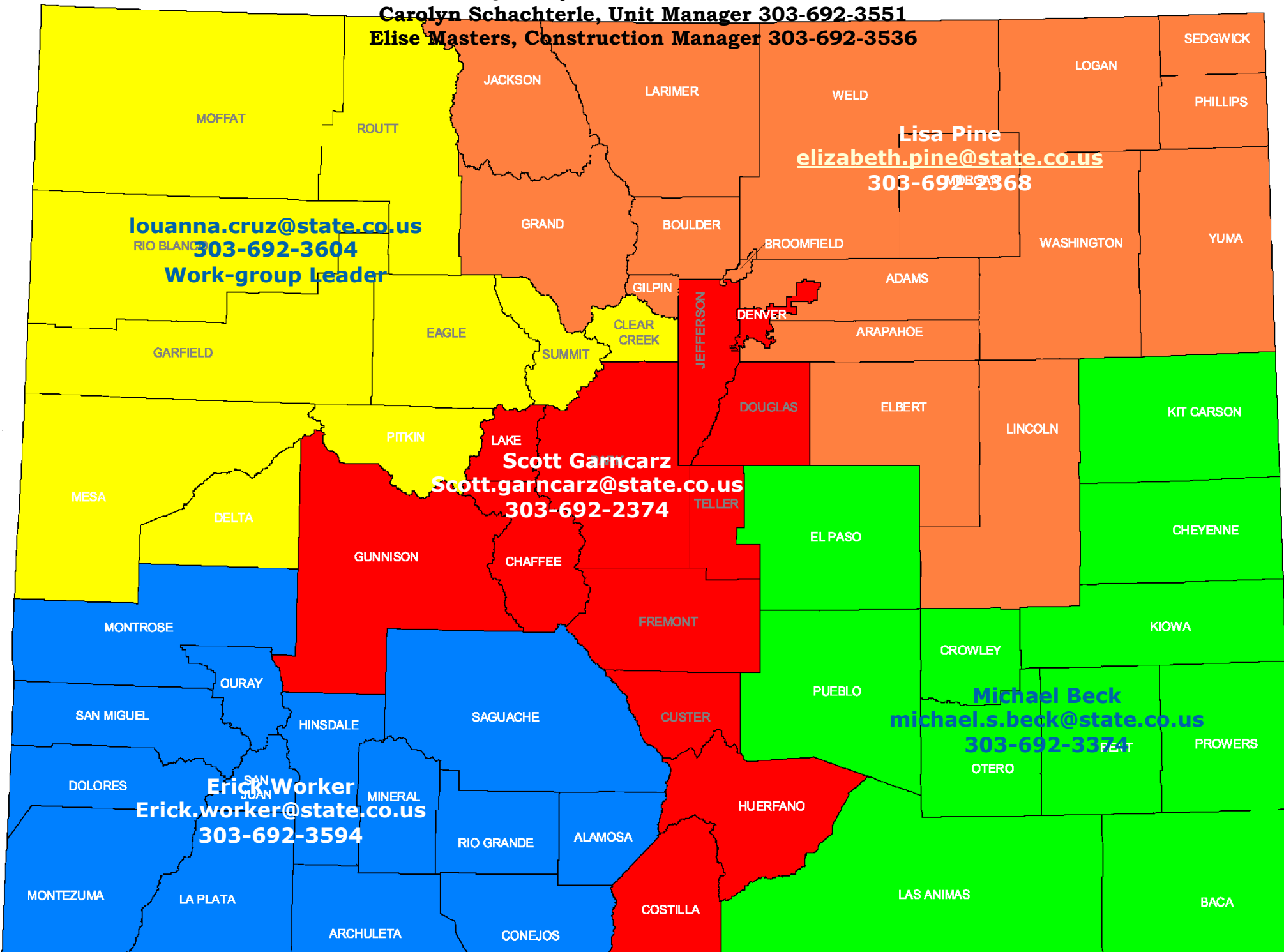
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Questions?